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21 August 1961

MEMORANDUM FOR: The Honorable McGeorge Bundy

Special Assistant to the President for National Security Affairs

SUBJECT : CIA Occupancy of the New Building

in McLean, Virginia (Recommendation by the President's Foreign Intelligence

Advisory Board of 18 July, 1961)

In your memorandum of July 24 you transmitted to me for comment, before its submission to the President, the following recommendation of the President's Foreign Intelligence Advisory Board in its report to the President of 18 July 1961:

"The Board recommends that action should be taken at the earliest possible date to assure that the Central Intelligence Agency's plans for the occupancy of the new building in McLean, Virginia are feasible. (We believe there are valid questions that may be raised about these plans. In particular, there are questions about moving all of the clandestine activities into the building. We recommend accordingly that these plans be reviewed administratively, and that a feasibility study be made as to the possibility of housing all of the clandestine functions, or some part thereof, in another place. We believe it may be appropriate to house in the new building some of the non-clandestine functions of the Central Intelligence Agency which are now scheduled to be relocated to other buildings in Washington)".

The points which the Board has raised in this recommendation affect a very important phase of the work of C.I.A., and I wish, at the outset, to assure you that the feasibility of our planned occupancy of the new building has been thoroughly considered and under constant review since the building program was initiated more than ten years ago.

My comments on the Board's recommendations fall into two general categories; first, the practical problem with which we are faced today as regards the relocation of our personnel; second, the question of tradecraft in the field of our clandestine functions.

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Since 1951 the Agency has been planning the construction of a building which would house the major part of our headquarters personnel. This project was initiated after careful consideration of the security and other factors involved in this procedure. The original decision to proceed was reached by General Walter Bedell Smith, who was then Director, at a time when, as now, our activities were scattered for the most part of temporary construction.

In presenting the matter to the Congress at that time, the security risks involved in transporting classified documents between buildings and the physical insecurity of the temporary buildings themselves were stressed, as well as the economy and efficiency of operations from a single headquarters building. As a result of this presentation, the Congress on 28 September 1951, passed an authorizing measure

Due to a technicality, the appropriating action failed of passage and it was not until 1 July 1955, after a site had been selected and approved by the appropriate authorities, that the President renewed the request to the Congress for the necessary legislation. On 4 August 1955 the Congress appropriated funds for the preparation of plans and specifications and in 1956, the Congress appropriated the funds to complete the building and the access highways.

As the printed hearings before the Senate Appropriations Committee evidence, the entire question of the security of the Agency's operations was gone into in great detail. The pros and cons of the location of our headquarters clandestine services personnel in one building, which we in the Agency had been studying for many years, were carefully considered by the members of Congress directly concerned. It was clearly the understanding of the Congress in making the appropriation for our headquarters that these personnel would be included in the new building.

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We know of no building in the Washington area available and suitable for the occupancy of our headquarters clandestine personnel. We do not feel that it would now be possible to approach the Congress for funds for a new building. Certainly there is no structure which could be made available in the time that remains before the "tempos" which the clandestine services now occupy must be torn down. Under the applicable legislation, an equivalent amount of temporary construction including those now occupied by the clandestine personnel is to be demolished once our new building is completed. Furthermore, these particular temporary buildings are fast becoming uninhabitable.

Hence, we are forced to the conclusion that there is really no practical alternative to follow, initially at least, other than to house the major part of the headquarters personnel of the clandestine services in the new building, beginning in about a month from now.

In addition, because of the common services on which the various divisions of the clandestine services depend such as directing personnel, files and records, logistics, supporting staff elements, etc., it is not feasible to fragment the clandestine service's operational headquarters without serious loss of both efficiency and security.

Our security office, which we consider highly professional, has assured me that the protection from disclosure of our clandestine work and personnel can be far more effectively guarded in the new building than has been possible in the old buildings the clandestine services have been occupying. The new building will provide electronic data processing, a secure telephone system, a specialized signal center, a pneumatic tube system, classified waste disposal and other modern facilities which will add both efficiency and security to our work that no other available building would afford.

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	ght of the Board's recommendation, we will review, e the move takes place, the desirability of excepting
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that there we length of time persons come discove the security in such a but target for purco-located we	from the viewpoint of security, it should be added ould be no possibility whatever of maintaining for any he the secrecy of a building housing the aprising our clandestine service headquarters personnel. Bered and advertised in our press, as must be expected, situation of the clandestine services personnel housed alding would be more severely prejudiced and more a abblicity than at the proposed new location where they are with a large number of non-clandestine personnel. Be the proposed relocation of our personnel is now no service.
in keeping it hostile forei penetrate it.	destine service in the world of any size has succeeded s main headquarters unknown and unidentified to those gn services seriously engaged in trying to locate and Few have had any success even in maintaining the the personnel in these headquarters.
to conceal th	work we have made it a rule not to waste time in trying the obvious but to exercise all our ingenuity in concealing a should be concealed, namely clandestine intelligence
	II.
	rn from the practical problems we face in connection cation of our clandestine personnel to the question of

It is the security of operations which it is essential to preserve. In the long run, the identity of many of our clandestine services personnel, as they move to their field duties abroad and then return to work at headquarters cannot effectively be insured. With care, however, operations of the most secret character can be and are run by highly skilled professionals even though their identification with CIA is known.

Further, much of our overseas work and a great deal of our domestic work requires meetings between our headquarters clandestine services personnel and the sources of intelligence to obtain information and develop new contacts. Their usefulness would be severely curtailed and many of our most valuable sources would dry up if our headquarters and overseas clandestine personnel are not permitted such contacts. Though we might have improved security, we would gather little intelligence. In fact, it is unwise to bury one's personnel so deeply in order to preserve security that they are prevented from doing their work.\*

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<sup>\*</sup> During the three years (1942-1945) I operated in Switzerland in World War II against the highly sophisticated Nazi and Fascist intelligence services, my functions were quite well known to those services. However it was entirely feasible to carry on and maintain the secrecy of operations which penetrated the German Foreign Office, Canaris's German Abwehr, which aided the resistance movements in France, Italy, Austria and Germany, and yet keep these operations wholly unknown to the enemy. In fact the high level German Foreign Office official who filched over 2,000 top secret coded messages from the German Foreign Office and passed them to us in Switzerland without ever being apprehended, initially made a futile effort to contact an allied service through certain overt officials. He failed to make contact because the Allied Secret Service man was so far under ground that the willing German agent never was able to reach him.

One of the lessons which experience over the last 20 years

	has taught us is the tradecraft of keeping operations secret and not wasting our energies in the futile effort of preserving the anonymity of all of our headquarters and overseas personnel engaged in clandestine work.
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	We are in the business of collecting intelligence. To do this a large number of our clandestine service personnel must take the risk of being known for what they are in order to make the contacts and establish the social and personal relationships necessary to their work Obviously they need not unnecessarily advertise their service connection.
	As regards the headquarters itself, every security precaution has been taken to insure the security of our communications overseas and between the various clandestine offices, to provide every protection for our records and files, and to give us a secure area from which we
25X1 25X1	This is the primary purpose of the headquarters personnel and I believe it can be efficiently carried out from our new headquarters.
	In conclusion, to summarize our response to the Board's recommendation, we submit:
	a. Ever since the project for a headquarters building was first initiated, we have been reviewing the feasibility and the security of our program for its occupancy and the selection of personnel to occupy it. We consider the plans which have been made to be feasible. We do not consider it feasible to secure quickly an appropriate alternate site for the clandestine services.
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	e. As new personnel come aboard who have had no prior identification with CIA, we endeavor to determine
	at the outset whether or not their anonymity should be guarded and from the very beginning take the necessary steps to accomplish this. This existing program will be followed aggressively.
25X1	f. the space in the new building will not be occupied by the clandestine services. We have endeavored to assign to this space in the building those categories of non-members of the clandestine services who have had the most thorough security checks.
5 <b>X</b> 1	g. In many countries of the world, and to many secret and security services of the world, CIA has become a symbol of one important phase of the American initiative to combat international communism and a rallying point for those who wish to organize to uncover and thwart communist intrigues. Adverse publicity, such as attended the Cuban episode, is obviously harmful. But the image of a strong, effective and vigilant U.S. intelligence service is an asset and dignified publicity to this end is better than silence.
	The image of an American Intelligence Service that is being fragmented and "running for cover" because of recent adverse and passing publicity will not be encouraging to our friends abroad and will bring

satisfaction to the Kremlin which for years has made CIA a major target. This was not the type of organization the Congress publicly created by the Security Act of 1947.

/s/

ALLEN W. DULLES
Director

cc: The President's Foreign Intelligence
Advisory Board